

# **APPENDIX A**

## **REGULATORY REQUIREMENTS MATRICES**



**“Chief Financial Officers (CFO) Act of 1990”  
Chief Financial Officers (CFO) Five Year Plan**

<b>Requirement</b>	<b>Fiscal Year (FY) 2000 Financial Management Improvement Plan Location</b>
Define the authority and functions of CFOs	Volume I Section II, Concept of Operations  Section III, Current Environment
Establish Agency CFO	Volume I Section II, Concept of Operations  Section III, Current Environment
Report directly to the head of the Agency, future and current, regarding financial management matters	Volume I Section II, Concept of Operations  Section III, Current Environment
Oversee all financial management activities	Volume I Section II, Concept of Operations  Section III, Current Environment
Develop and maintain an integrated agency accounting and financial management system, including financial reporting and internal controls	Volume I Section II, Concept of Operations  Section IV, Transition Plan
Direct management and provide policy guidance and oversight of Agency financial management personnel, activities and operations	Volume I Section II, Concept of Operations
Articulate CFO’s Vision Statement	Volume I Section I, Introduction
Identify goals and strategies for implementing financial management improvements	Volume I Section II, Concept of Operations
Identify current financial management systems structure and plans for moving to the targeted systems structure	Volume I Section III, Current Environment  Section IV, Transition Plan
Identify impediments to the submission of the required annual audited financial statements	Volume I Section III, Current Environment

## “Federal Financial Management Improvement Act of 1996”

<b>Requirement</b>	<b>FY 2000 Financial Management Improvement Plan Location</b>
Provide consistency of accounting by agency from one fiscal year to the next and uniform accounting standards throughout the federal government	Volume I Section II, Concept of Operations
Require federal financial management systems to support full disclosure of federal financial data, including the full costs of federal programs and activities so that programs and activities can be considered based on their full costs and merits	Volume I Section II, Concept of Operations  Volume II Section III, Critical Finance and Accounting Systems  Section IV, Critical Feeder Systems
Increase the accountability and credibility of federal financial management	Volume I Section II, Concept of Operations  Section III, Current Environment  Section IV, Transition Plan
Improve performance, productivity and efficiency of federal financial management	Volume I Section II, Concept of Operations  Section IV, Transition Plan
Establish financial management systems to support controlling the cost of the federal government	Volume I Section II, Concept of Operations
Build upon and complement the CFO Act of 1990, the Government Performance and Results Act of 1993 and the Government Management Reform Act of 1994	Volume I Section II, Concept of Operations
Increase the capability of agencies to monitor execution of the budget by more readily permitting reports that compare spending of resources to results of activities	Volume I Section II, Concept of Operations  Section III, Current Environment  Section IV, Transition Plan

<b>Requirement</b>	<b>FY 2000 Financial Management Improvement Plan Location</b>
Implement and maintain financial systems that comply with federal financial management system requirements, applicable federal accounting standards and the standard general ledger at the transaction level	<p>Volume I</p> <p>Section II, Concept of Operations</p> <p>Section III, Current Environment</p> <p>Section IV, Transition Plan</p> <p>Volume II</p> <p>Section III, Critical Finance and Accounting Systems</p> <p>Section IV, Critical Feeder Systems</p>
Determine whether the agency's financial management systems comply with the standards identified above	<p>Volume I</p> <p>Section III, Current Environment</p> <p>Section IV, Transition Plan</p> <p>Appendix B, Financial Management Systems Compliance</p> <p>Volume II</p> <p>Section II, Compliance Tables</p> <p>Section III, Critical Finance and Accounting Systems</p> <p>Section IV, Critical Feeder Systems</p>
Establish a remediation plan to bring the agencies financial management systems into compliance	<p>Volume I</p> <p>Section III, Current Environment</p> <p>Volume II</p> <p>Section III, Critical Finance and Accounting Systems</p> <p>Section IV, Critical Feeder Systems</p> <p>Section V, Policy and Oversight</p> <p>Section VI, Infrastructure</p>

<b>Requirement</b>	<b>FY 2000 Financial Management Improvement Plan Location</b>
Identify resources required to bring the agency's financial management systems into compliance	<p>Volume I</p> <p>Section III, Current Environment</p> <p>Volume II</p> <p>Section III, Critical Finance and Accounting Systems</p> <p>Section IV, Critical Feeder Systems</p> <p>Section V, Policy and Oversight</p> <p>Section VI, Infrastructure</p>
Identify remedies required to bring the agency's financial management systems into compliance	<p>Volume I</p> <p>Section III, Current Environment</p> <p>Section IV, Transition Plan</p> <p>Volume II</p> <p>Section III, Critical Finance and Accounting Systems</p> <p>Section IV, Critical Feeder Systems</p> <p>Section V, Policy and Oversight</p> <p>Section VI, Infrastructure</p>
Identify intermediate target dates required to bring the agency's financial management systems into compliance	<p>Volume I</p> <p>Section III, Current Environment</p> <p>Section IV, Transition Plan</p> <p>Volume II</p> <p>Section III, Critical Finance and Accounting Systems</p> <p>Section IV, Critical Feeder Systems</p> <p>Section V, Policy and Oversight</p> <p>Section VI, Infrastructure</p>

## “Federal Managers’ Financial Integrity Act of 1982” Statement of Assurance, Section 4

The Statement of Assurance, Section 4, titled the “Report on System Conformance to the Office of Management and Budget Financial Systems Requirements,” requires three areas of information (1) a description of Pending Material Nonconformance, (2) a description of Material Nonconformance Corrected in the Current Reporting Year, and (3) additional summary information.

### 1) Description of Pending Material Nonconformance

<b>Requirement</b>	<b>FY 2000 Financial Management Improvement Plan Location</b>
<p>Describe each pending material nonconformance for each system and provide a corrective action plan, group nonconformance by system. Explain any changes in previous corrective action schedules and include the following data elements for each uncorrected material nonconformance:</p> <ul style="list-style-type: none"> <li>• Name of System</li> <li>• Name of Responsible System Manager</li> <li>• Title of Material Nonconformance</li> <li>• Functional Category in Statistical Summary</li> <li>• Bureau/Appropriation/Account Number</li> <li>• Pace of Corrective Action: <ul style="list-style-type: none"> <li>– Year Identified</li> <li>– Original Targeted Correction Date</li> <li>– Targeted Correction Date in Last Years Report</li> <li>– Current Target Date</li> <li>– Reason for Change in Date(s).</li> </ul> </li> </ul>	<p>Volume II</p> <p>Section III, Critical Finance and Accounting Systems</p> <p>Section IV, Critical Feeder Systems</p>
<p>Description of Material Nonconformance and its Impact on Agency Operations:</p> <ul style="list-style-type: none"> <li>• Source of Discovery of Material Nonconformance</li> <li>• Critical Milestones in Corrective Action: <ul style="list-style-type: none"> <li>– Original Plan</li> <li>– Current Plan</li> <li>– Actual.</li> </ul> </li> <li>• Validation Process to be Used.</li> </ul>	<p>Volume II</p> <p>Section III, Critical Finance and Accounting Systems</p> <p>Section IV, Critical Feeder Systems</p>

## 2) Description of Material Nonconformance Corrected in the Current Reporting Year

Requirement	FY 2000 Financial Management Improvement Plan Location
<p>Provide the following information for any material nonconformance corrected this year:</p> <ul style="list-style-type: none"> <li>• Name of System</li> <li>• Name of Responsible System Manager</li> <li>• Title of Material Nonconformance</li> <li>• Bureau/Appropriation/Account Number</li> <li>• Year Identified</li> <li>• Corrective Action Taken</li> <li>• Validation Process to be Used</li> <li>• Results of Validation Actions Taken.</li> </ul>	<p>Volume II</p> <p>Section III, Critical Finance and Accounting Systems</p> <p>Section IV, Critical Feeder Systems</p>

## 3) Additional Summary Information

Requirement	FY 2000 Financial Management Improvement Plan Location
<p>The report on accounting system conformance to Comptroller general principles, standards, and related requirements of the Annual Assurance Statement shall be accompanied by:</p> <ul style="list-style-type: none"> <li>• A narrative assurance statement</li> <li>• An inventory listing</li> <li>• An enumeration of system manager/ user reviews and consolidated system evaluations performed in the current reporting year</li> </ul>	<p>Volume I</p> <p>Appendix B, Financial Management Systems Compliance</p> <p>Volume I</p> <p>Appendix B, Financial Management Systems Compliance</p> <p>Volume I</p> <p>Section IV, Transition Plan</p> <p>Volume II</p> <p>Section III, Critical Finance and Accounting Systems</p> <p>Section IV, Critical Feeder Systems</p>



<b>Requirement</b>	<b>FY 2000 Financial Management Improvement Plan Location</b>
<ul style="list-style-type: none"><li>• A description of system or process used to track material nonconformance and corrective actions taken or planned.</li></ul>	Volume I Section III, Current Environment  Section IV, Transition Plan  Appendix B, Financial Management Systems Compliance

### “National Defense Authorization Act for Fiscal Year 2000”

Requirement	FY 2000 Financial Management Improvement Plan Location
<p>Inventory of finance, accounting, and feeder systems including:</p> <ul style="list-style-type: none"> <li>• Compliance status of each system</li> <li>• Retention, consolidation, or elimination status of each system</li> <li>• Detailed action plans for each system</li> <li>• Detailed action plans for consolidated or eliminated systems</li> <li>• Points of Contact for each system.</li> </ul>	<p>Volume II</p> <p style="padding-left: 40px;">Section II, Compliance Tables</p> <p style="padding-left: 40px;">Section III, Critical Finance and Accounting Systems</p> <p style="padding-left: 40px;">Section IV, Critical Feeder Systems</p>
<p>Major Procurement Actions:</p> <ul style="list-style-type: none"> <li>• Description of the procurement action</li> <li>• Measures to ensure reliable interfaces</li> <li>• Measures to ensure internal controls.</li> </ul>	<p>Volume II</p> <p style="padding-left: 40px;">Section III, Critical Finance and Accounting Systems</p> <p style="padding-left: 40px;">Section IV, Critical Feeder Systems</p>
<p>Financial Management Competency Plan:</p> <ul style="list-style-type: none"> <li>• Description of actions necessary to ensure comptrollers/senior financial managers are competent to perform their duties</li> <li>• Description of education required by comptrollers/senior financial managers</li> <li>• Advantages/disadvantages of a DoD school</li> <li>• Civilian education requirements.</li> </ul>	<p>Volume I</p> <p style="padding-left: 40px;">Section III, Current Environment</p> <p style="padding-left: 40px;">Section V, Special Interest Items</p> <p>Volume II</p> <p style="padding-left: 40px;">Section V, Policy and Oversight</p>

<b>Requirement</b>	<b>FY 2000 Financial Management Improvement Plan Location</b>
<p>Improvements to the Defense Finance and Accounting Service:</p> <ul style="list-style-type: none"> <li>• Plan for improving internal controls</li> <li>• Plan to ensure DFAS has a single standard ledger, integrated data base, and automated output measures</li> <li>• Plan for providing a single set of policies and procedures for financial transactions throughout the DoD</li> <li>• Plan for ensuring compliance to applicable policies and procedures throughout the DoD</li> <li>• Plan to review safeguards for preservation of assets and verify existence of assets.</li> </ul>	<p>Volume I</p> <p>Section III, Current Environment</p> <p>Section IV, Transition Plan</p> <p>Section V, Special Interest Items</p> <p>Volume II</p> <p>Section III, Critical Finance and Accounting Systems</p> <p>Section V, Policy and Oversight</p> <p>Section VI, Infrastructure</p>
Internal Controls Checklist	<p>Volume I</p> <p>Section V, Special Interest Items</p>

